



COMMONWEALTH of VIRGINIA

Department of Historic Resources

2801 Kensington Avenue, Richmond, Virginia 23221-0311

L. Preston Bryant, Jr.
Secretary of Natural Resources

Kathleen S. Kilpatrick
Director

Tel: (804) 367-2323
Fax: (804) 367-2391
TDD: (804) 367-2386
www.dhr.virginia.gov

June 15, 2009

Chris Caperton
Laurel Hill Project Coordinator
Department of Planning and Zoning
County of Fairfax
12055 Government Center Parkway
Suite 730
Fairfax, Virginia 22035

RE: Draft Master Plan for the Laurel Hill Adaptive Reuse Site
Lorton, Fairfax County
DHR File No. 1998-1786

Dear Mr. Caperton:

Thank you for your letter of June 5, 2009. I am pleased to continue our dialog with Fairfax County about the redevelopment of the Laurel Hill property. The Department of Historic Resources (DHR) is supportive of the adaptive re-use of the historic buildings, structures, and their site, and we recognize that this is a complex and highly iterative planning process. While still in the conceptual stage, great strides have already been taken to revise the draft re-use plan for the property to reflect comments made by DHR.

As you know, DHR participates in projects occurring at the Laurel Hill property in our role as a signatory to the Memorandum of Agreement (MOA). DHR's Office of Preservation Incentives has also been involved in review of the plan as we understand that both state and federal rehabilitation tax credits will be sought for the work accomplished at the property. I appreciate your request for clarification of the application process and review criteria for DHR's rehabilitation tax credit program. I offer the following explanations and recommendations in response to your questions:

Administrative Services
10 Courthouse Avenue
Petersburg, VA 23803
Tel: (804) 862-6416
Fax: (804) 862-6196

Capital Region Office
2801 Kensington Ave.
Richmond, VA 23221
Tel: (804) 367-2323
Fax: (804) 367-2391

Tidewater Region Office
14415 Old Courthouse Way, 2nd Floor
Newport News, VA 23608
Tel: (757) 886-2807
Fax: (757) 886-2808

Roanoke Region Office
1030 Penmar Ave., SE
Roanoke, VA 24013
Tel: (540) 857-7585
Fax: (540) 857-7588

Northern Region Office
5357 Main Street
PO Box 519
Stephens City, VA 22655
Tel: (540) 868-7029
Fax: (540) 868-7033

1. *Can you please clarify the VDHR review process for historic tax credits? The revised Master Plan is conceptual in nature, with additional detailed site planning to follow. The County would like clarification about the use of the Master Plan to make determinations about tax credit eligibility.*

Submission of a Part 2, "Description of Rehabilitation," application generally begins DHR's formal review of work for which state rehabilitation tax credits are sought. In order to be certified for rehabilitation tax credits, all work at the property must be consistent with the Secretary of the Interior's *Standards for Rehabilitation (Standards)*, as required by the program regulations. However, because of the size, scope, and complexity of the Laurel Hill project, DHR tax credit staff has been involved in this process earlier than would normally be the case with a less complicated project. Through early involvement and review of conceptual plans, DHR provides initial guidance on how the plans can meet the *Standards*. As the conceptual plan is refined and revised in this process, DHR hopes to continue to provide constructive feedback so that redevelopment of the site is consistent with the *Standards* and the project can be certified for the rehabilitation tax credits.

We recognize that this process is early in the planning stage and the draft reuse plan provides initial information on the redevelopment of the property. Through a process of revision, a site development plan will be created that will provide a philosophical framework and guide the redevelopment of the site.

When the site development plan has been finalized and the detailed scope of rehabilitation has been developed for the buildings, this information will be submitted in a Part 2 application for review and approval by DHR. The scope of work will be evaluated by DHR according to the *Standards*; if additional revisions are necessary, approval will be conditioned upon making the required changes. Please note that it is common for a conditional approval to be issued by DHR.

Following completion of the rehabilitation work, whether as a single- or multi-phase project, a Part 3, "Request for Certification of Completed Work," application will be submitted to DHR for review and approval.

2. *Does the VDHR tax credit review process consider preservation goals relative to economic realities? The County has prepared financial information about development of the adaptive reuse site it hopes to use as part of the tax credit discussion.*

As previously stated, the program regulations state that the *Standards* are the criteria by which projects are evaluated. All aspects of a project must be consistent with the *Standards*; however, the *Standards* provide flexibility and allow for appropriate changes to historic buildings, structures, and their site.

We seek a holistic approach in our review of rehabilitation projects; where appropriate, a certain amount of flexibility may be applied, as long as the project as a whole is consistent with the *Standards*. With the second busiest tax credit program in the nation,

we regularly consider economic demands within the scope of a tax credit project. We work closely with property owners to achieve economic viability for the property, while retaining the historic character and fabric of a property. Information on the economic aspects of the project should be submitted to DHR, so that we may understand the full range of the County's considerations in its development of a scope of work for the property.

3. *How will DHR consider historic documentation and archival records from the County that have come to light since the preparation of the National Register nomination process in determining historic use and provenance? Information uncovered in the past year from the archival records of the DC Office of Corrections show that the ball field area was used, during the period of significance, as a general recreation field for multi-purpose activities including sporting events, concerts, and picnics. The revised Master Plan shows a community green and recreation open space. Programming this space for use by the entire community, we believe, is in keeping with the spirit of past use and activities.*

Any such information should be submitted to DHR for review. It will be considered in the context of our review of the scope of work for the site, and shared with DHR's National Register/Virginia Landmarks Register staff so that we maintain the most accurate records for the Laurel Hill property. Evidence that the ball field area was used during the period of significance for activities other than baseball and may have had a more generic green space character historically could support the intention of the current Master Plan to designate this area for general recreational activities.

4. *Are there circumstances (or criteria) when historical elements can be altered or removed if VDHR determines that alteration or removal serves a higher preservation interest?*

Again, all work at the property must be consistent with the *Standards*, and the corresponding documentation on interpretation and application of the *Standards* promulgated by the National Park Service in the *Interpreting the Standards and Preservation Briefs* series.

The *Standards* allow for appropriate changes to historic buildings; alteration of or changes to historic fabric or spaces may be acceptable, however, each case must be reviewed on an individual basis and within the context of the overall project. We expect that changes will and should occur to the historic buildings in order for the Laurel Hill property to be a viable product. However, demolition of contributing resources on the property must be carefully reviewed by DHR pursuant to the rehabilitation tax credit program, as this work may be problematic.

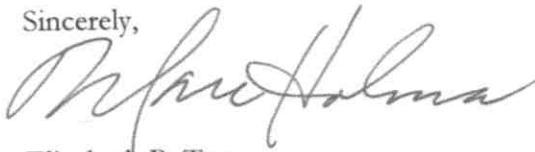
5. *Recognizing the need for further plan refinement and in-depth review by VDHR, does development of the adaptive reuse site, as shown on the revised Master Plan, appear to be a viable candidate for historic tax credits?*

We believe that the Laurel Hill property is an excellent candidate for the rehabilitation tax credit program; use of the rehabilitation tax credits would not only preserve this important complex but also provide an important financing mechanism.

We recognize that the draft reuse plan is conceptual and will be refined and revised during the planning process. DHR looks forward to participating in the careful revision of the reuse plan and development of appropriate treatment for the historic buildings and structures to ensure that the rehabilitation tax credits will be available for the project.

Please do not hesitate to contact me should you have any questions or require additional information. I can be reached at (804) 367-2323, extension 110, or by email at Elizabeth.Tune@dhr.virginia.gov.

Sincerely,



Elizabeth B. Tune

Manager

Office of Preservation Incentives

C: Marc Holma
Linda Blank, Fairfax County
Gerald W. Hyland, Supervisor, Mt. Vernon District
Jim Zook, Director, Department of Planning and Zoning